

CONSUMER ALERT



JOSEPH R. BIDEN, III
ATTORNEY GENERAL

Consumer Protection Unit

New Castle County - (302) 577-8600

Kent County - (302) 739-7641

Sussex County - (302) 856-5353

Toll Free Consumer Hotline - (800) 220-5424

Consumer.Protection@State.DE.US

AT HOME SCAMS

The Delaware Department of Justice warns of a rise in work-at-home scams. You may find these jobs advertised on flyers, signs and television, in newspapers and magazines, and over the Internet. However, these offers are usually scams that cost consumer's time and money. Typically, the company asks for an up-front fee before you can start working. The company may claim that the money is a registration fee, a deposit on materials, or payment for instructional books or computer disks.

The truth is that most work-at-home schemes are too good to be true. With many of the schemes, you end up receiving worthless information or a copy of the same advertisement you responded to with instructions on how to use it to con other people. Protect yourself by learning how to spot the most common types of work-at-home scams.

Common Work at home schemes involve:

- **Medical Billing Work:** These scams claim that there is a growing market for you to prepare bills for doctors' offices from your home computer. The company sells you software and training materials for hundreds or thousand dollars and promises to give you a list of clients. When you call these potential clients, you learn that the medical billing field is already dominated by large and well-established firms and you can't find any work.
- **Envelope Stuffing:** This long-running scam offers to pay you for each envelope you address or stuff. You send the company money for a start-up kit and materials. In return, you get a list of companies that either do not exist or do not pay people to stuff envelopes.
- **Sewing/Craft/Assembly Work:** Promotions for homemade craft items also promise a big profit for a small investment of time and money. When you contact the companies, you find they will not pay for that kind of work. In the alternative the company agrees ahead of time to buy back the finished

product from you at an attractive price, but, regardless of the quality of your work, the company often judges your goods inferior and refuses to pay

How to Avoid Work-At-Home Scams

- Never pay for information about a work-at-home offer, or for any kind of start-up kit, instructional booklet or list of clients.
- Be skeptical about earnings claims that sound too good to be true.
- Use common sense. In these days of automation and high-speed printing and mailing equipment, it's unlikely a company would pay several dollars for each envelope you stuff and mail.
- Keep in mind that just because an ad appears in a reputable newspaper or magazine doesn't mean that it's legitimate.
- Ask detailed questions about what exactly you will have to do to earn money with the program. Who will pay you? Will you be paid on commission? Will you be asked to buy supplies or pay for postage? Will they send you a contract that puts all of this in writing before you sign up?
- Think it over. It's very hard to get your money back once you send it. After a few months, many work-at-home scammers simply change their company name and address and start all over
- Protect yourself by using caution before you send money for any work-at-home offer. Before you spend money on a work-at-home offer, ask the following questions. If the representative seems unwilling or unable to answer your questions, don't do business with the company.
 - What does the job involve? What steps will I have to go through? What tasks will I have to complete?
 - How and when will I be paid? Who will pay me?
 - How much will I have to pay for the work-at-home program, including costs for supplies, equipment, training, and other fees?
 - What specific standards must my work meet?